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SOFTWARE FOR THE COMMODORE 64 AND 128

J.K. LASSER'S ● YOUR ● INCOME TAX

*All New 1986 Edition
for Preparing
1985 Returns*

YEAR-ROUND TAX PREPARATION & TAX PLANNING PROGRAM

**COMPUTER SOFTWARE COMPANION
TO AMERICA'S #1 BEST-SELLING
TAX GUIDE**

NOW SAVE \$7.95
on America's #1
Best-Selling Tax Guide
(Details inside.)

**THE J.K. LASSER INSTITUTE
SIMON & SCHUSTER**

Please Read This First

Technical Support Telephone Number

The telephone number listed in the Technical Assistance and Troubleshooting section of the user's guide contains an incorrect area code. The correct telephone number is (201) 592-2900.

Information for Apple II Owners

1. Entering Negative Numbers

Ordinarily, a negative number must be changed to zero before it is entered onto a tax form; in some cases, however, the negative number must be entered.

To enter a negative number when you are required to do so, first call up the calculator by pressing ^C. Type the negative number (a minus sign followed by the number) and then press RETURN. The negative number will appear on the form (in brackets, with no minus sign) and the calculator will disappear from the screen.

When you use ^F to compute the number to be entered on a line, and the computed value is negative, the program will automatically enter the negative number onto the tax form or change it to zero, whichever is required by the IRS.

2. Using the Calculator

The discussion of the RETURN and ESCAPE keys on page 24 does not accurately describe their functions when used with the calculator. The RETURN key copies an amount from the calculator and enters it into the field you left when you requested the calculator. The ESCAPE key removes the calculator from the screen and returns to the field without entering an amount. These functions are accurately described in the On-Screen Calculator section on pages 25-26.

Please send my free copy of *J. K. Lasser's Your Income Tax* book. I have enclosed a check or money order for \$1.50 to cover postage and handling.

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Please allow 4 weeks for delivery.

J. K. Lasser's ■ Your Income Tax 1986

for the Commodore
64 and 128



COMPUTER SOFTWARE DIVISION
SIMON & SCHUSTER NEW YORK

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Published by the Computer Software Division
Simon & Schuster, Inc.
Simon & Schuster Building
Rockefeller Center
1230 Avenue of the Americas
New York, New York 10020

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Documentation designed by Irving Perkins Associates
Manufactured in the United States of America
Printed and bound by RR Donnelley & Sons
1 2 3 4 5 6 7 8 9 10
ISBN: 0-671-62482-2

Publisher's Note

This program is intended for your personal tax preparation. While it is not meant as a substitute for the professional advice of your accountant, it can save you time and money by helping you organize and file your federal income tax returns. Further, it can help you plan the best tax strategy for your needs. Together with the companion program, *J. K. Lasser's Your Money Manager*, it forms a complete tax and financial management system for your home or small business. No software program or book can describe every conceivable tax situation or provide the answers for every tax question. However, *J. K. Lasser's Your Income Tax* software package is designed to provide the tools, the help and the materials that will enable almost anyone to file an accurate and complete federal tax return.

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Preface

For nearly half a century, the book *J. K. Lasser's Your Income Tax* has helped millions of Americans make sound financial decisions regarding tax planning, tax preparation and related financial matters. Today, J. K. Lasser's book is complemented by a software program for your personal computer. Together, they form a comprehensive tax preparation and planning package.

Your Income Tax software package helps you save time and money. You will organize, prepare and calculate your tax returns more quickly and easily than ever before. You can go from entering the information to final tax calculations in a matter of minutes without the frustration and confusion of manual methods. The program walks you step by step through each tax form and schedule. The interactive Interview at the beginning of the program insures that you fill out every form you need, while it helps you eliminate easily those that you do not. If you decide to make a change or discover a new deduction, the recalculation takes only seconds. Since the program is organized around the IRS forms and schedules, you will immediately see how each decision affects your return.

Your Income Tax helps you save money by planning the best tax strategy for your needs. You can ask "what if" questions by entering data directly onto the tax forms and schedules to see how the results affect your actual tax returns. If you use the companion program, *J. K. Lasser's Your Money Manager*, to organize and keep track of your finances, you can transfer much of your tax-related financial information directly to *Your Income Tax* at additional time savings.

J. K. Lasser's *Your Income Tax* book can be used in conjunction with the software when you need help. Each form and schedule in the program has a reference number that takes you to the proper paragraph in the best-selling tax book. This extensive reference book contains the answers to virtually all of your tax questions in clear language.

On-line help guides you through the use of the program itself. You need no experience with computers or the tax code to use the program. J. K. Lasser's *Your Income Tax* guide and tax program are written in clear language designed to make tax preparation as painless as possible.

Finally, you can be assured that your results are accurate and that the calculations are correct. The program's internal safeguards make it virtually impossible to erase your data accidentally.

In short, J. K. Lasser's *Your Income Tax* program is the next step in the fifty-year history of tax preparation and tax planning excellence established by the J. K. Lasser Tax Institute.

Hardware Requirements

Your Income Tax runs on the Commodore 64 and the Commodore 128 in the C64 mode. The program requires one disk drive.

Your Income Tax forms and reports can be printed on most popular printers compatible with the Commodore 64 and the Commodore 128.

The first step in the process of developing a hardware requirements specification is to identify the functional requirements of the system. This is done by interviewing the users of the system and by studying the system's purpose and objectives. The next step is to identify the hardware resources that are required to support the functional requirements. This is done by identifying the hardware resources that are currently available and by identifying the hardware resources that are required to support the functional requirements.

The third step in the process of developing a hardware requirements specification is to identify the hardware resources that are required to support the functional requirements. This is done by identifying the hardware resources that are currently available and by identifying the hardware resources that are required to support the functional requirements. The fourth step is to identify the hardware resources that are required to support the functional requirements.

The fifth step in the process of developing a hardware requirements specification is to identify the hardware resources that are required to support the functional requirements. This is done by identifying the hardware resources that are currently available and by identifying the hardware resources that are required to support the functional requirements. The sixth step is to identify the hardware resources that are required to support the functional requirements.

The seventh step in the process of developing a hardware requirements specification is to identify the hardware resources that are required to support the functional requirements. This is done by identifying the hardware resources that are currently available and by identifying the hardware resources that are required to support the functional requirements. The eighth step is to identify the hardware resources that are required to support the functional requirements.

The ninth step in the process of developing a hardware requirements specification is to identify the hardware resources that are required to support the functional requirements. This is done by identifying the hardware resources that are currently available and by identifying the hardware resources that are required to support the functional requirements. The tenth step is to identify the hardware resources that are required to support the functional requirements.

Quickstart

This section is designed to do two things. First, for those who have read the user's guide, it serves as a reminder of the basic program operations and as a quick reference. Second, for those who have not read the user's guide but wish to get started right away, it tells how to get the program up and running quickly. The program is designed to be simple to operate; however, there is no substitute for reading the documentation. If you decide to get started without reading further, you can refer to the user's guide for help with specific questions when necessary.

1. Make a working copy and apply the labels provided. It is imperative that you use a working copy. Once you complete the Interview, the computer deletes all of the forms you do not need and installs a new working system on your diskette. Therefore, in order to keep your master diskette intact, always use a working copy.
2. Insert the working copy, side one face up, into the disk drive, type **LOAD "YIT",8,1** and then press RETURN.
3. A. You must first complete the Interview before going on to the Tax Preparation module. You will use the Interview to choose the tax forms and schedules that you need.
B. When you have finished the Interview, you may begin your income tax preparation.
4. Follow the instructions that appear at the bottom of the screen and note the active function keys.
5. Keys to use: Arrows move the screen left, right, up and down.
RETURN confirms your input.
Function keys are listed on the bottom of the screen.

Hints:

- A. To exit a form you must save it by pressing f7 (Confirm and Save) whether the form is complete or not.
- B. Look at the instruction line at the bottom of the screen to see what type of input is expected.
- C. The JKL ¶ number at the top of the screen refers to the reference paragraph in the *J. K. Lasser's Your Income Tax* book. You may refer to it when you need detailed information on a tax question.
- D. Read the user's guide for detailed information on all program functions.

Introduction

The J. K. Lasser's *Your Income Tax* software program and user's guide give you the tools you need to complete your federal income tax returns quickly, comprehensively and accurately. The program makes entering information easy, does complex calculations quickly, provides instant feedback on your input and helps you select the right tax forms for your individual needs. In addition, the software and user's guide are thoroughly referenced to the *Your Income Tax* book as a source for more in-depth information if you feel you need it. The *Your Income Tax* book gives you complete and comprehensive information on virtually every tax situation you might encounter in greater detail than is possible on a microcomputer floppy disk. By cross-referencing the software with the book, you have the most comprehensive personal computer tax preparation and planning package available at an affordable price.

The Software Program

The software program itself is divided into two sections: the Interactive Interview and the Tax Preparation module. Both sections are designed to help you get the most out of your tax situation, at tax time and throughout the year.

The Interview

The Interactive Interview guides you through the maze of IRS forms and schedules by asking you simple questions in plain

language that require yes or no answers. When you have completed the Interview, you will have a list of the exact forms you need for your federal income tax return. If you are uncertain about the answer to any question, help is available with the touch of a key. If further help is needed, the program directs you to the appropriate paragraph in the *J. K. Lasser's Your Income Tax* book for a complete explanation of that particular tax situation. If you are familiar with tax preparation and know exactly which forms and schedules you need, you can override the Interview and simply choose the forms and schedules you want to use. As each form is completed, the program updates your list to let you know the status of each form and schedule.

The Tax Preparation Module

The Tax Preparation module takes you through each form you have selected, line by line. Each item on the form has a JKL reference number that refers you to the *Your Income Tax* book whenever you need help with a tax question. On-line help and on-screen instructions guide you through each tax form. You need no experience with computers to get the most out of *J. K. Lasser's Your Income Tax* program. But you have the power of your computer at your disposal to insure quick, accurate calculations at the touch of a key. Because you are figuring your taxes right on the forms, you can see directly how each new entry affects your return. When you are finished filling in the necessary forms and schedules, all you have to do is print them out, and your federal tax returns are complete.

Tax Planning

J. K. Lasser's Your Income Tax allows you to plan the best tax strategy for your individual situation. First, answer the Interview and complete the Tax Preparation module with one scenario. Review or print out the results. Then, change appropriate entries on your forms to analyze your different tax plans. Since recalculation takes only seconds, you can see within minutes how your planning affects your actual return. You can ask "what if" questions by entering different tax plans for any one year or by estimating your financial situation for the future. For example, if you want to know the effect of taking a long-term capital gain during the

current year, you simply create two tax scenarios for one year with different amounts in the long-term capital gains column. In just a few minutes' time, you can see the full impact of this and/or many other financial decisions on your tax situation. The results appear on the appropriate tax forms just as they would if you were filing the return. For more information about tax planning, see the Tax Planning section of this user's guide.

The *Your Income Tax* Book

The J. K. Lasser's *Your Income Tax* book is the product of over fifty years of experience in tax preparation and tax advice. It is the most popular income tax guide in the country and has helped millions of Americans save money on their federal income tax returns. It is noted for its easy-to-read style and straightforward approach to tax information. The software program is keyed to the book so that each line of every form and schedule has a specific paragraph reference that takes you to the exact information you need. The book provides detailed answers to your tax questions, but it is not necessary to have the book in order to use the software.

The User's Guide

The user's guide is designed to get you started with the program and to be used as a reference as you work with the software. It is a good idea to read the entire user's guide before beginning the program. However, if you want to get started right away, use the Quickstart instructions to have the program up and running in minutes.

IRS Forms and Schedules

There are twenty-eight forms and schedules included in the *Your Income Tax* software package. The following paragraphs list each form and provide a synopsis of the form's content. For more complete information about each form and tax situation, consult

the *J. K. Lasser's Your Income Tax* book and the IRS instructions for the form in question.

- 1040 U.S. Individual Income Tax Return.** This is the long form and must be used if your taxable income is \$50,000 or more, if you plan to itemize your deductions or if because of special circumstances you are required to use the long form by the IRS. However, you may be able to use one of the short forms listed below.
- 1040A U.S. Individual Income Tax Return.** This form is a shorter version of the 1040 and can be used by single or married people, filing jointly or separately. It should be used for taxable income of less than \$50,000 derived only from wages, salaries, tips, interest, dividends and unemployment compensation. The form allows for adjustments (deductions) to income for a married couple when both people work, credit for child care and dependent care, and deduction for IRA payments, as well as all exemptions that you are entitled to claim. No itemized deductions are allowed.
- 1040EZ Income Tax Return for Single Filers with No Dependents.** This form is also a shorter version of the 1040 for individuals with a taxable income of less than \$50,000. The taxable income may be derived only from wages, salaries, tips and interest of \$400 or less. You may claim only one personal exemption for yourself. No adjustments to income or itemized deductions are allowed.
- 2106 Employee Business Expenses.** Use this form to claim business expenses that are not reimbursed by your employer.
- 2119 Sale or Exchange of Principal Residence.** Use this form to report a gain from the sale of your principal residence or to postpone a gain if you buy a new residence within the replacement period. If you are fifty-five or older and you owned and occupied your residence for three of the five years prior to the date of its sale, you can also use this form to exclude any gain from your income.

2210 Underpayment of Estimated Tax by Individuals.

This form has three parts. Use part one to determine if you prepaid enough tax. If not, use part two to see if you were exempt in any of the periods. If you were not exempt, use part three to determine what penalty you owe for underpayment.

2441 Credit for Child and Dependent Care Expenses.

Use this form to claim tax credit for the cost of child care or care for a qualifying disabled person if you (and your spouse if you are married) work or were looking for work. The person you pay to provide the care cannot be your spouse or a person whom you claim as a dependent.

3468 Computation of Investment Credit. Use this form to claim tax credit on the purchase of business equipment or energy-related business property.

3903 Moving Expense Adjustment. If you have moved your principal residence at least thirty-five miles because of a change in your job's location, use this form to deduct your moving expenses. This applies to employees as well as those who are self-employed. You must meet time and distance criteria.

4137 Computation of Social Security Tax on Unreported Tip Income. If you receive \$20 or more in tips per month, you must report the dollar amount to your employer. Use this form to compute the amount of tip income not reported to your employer that must be reported on your tax return and social security record.

4562 Depreciation and Amortization. Use this form to explain this year's deduction for depreciation and amortization and to elect to expense recovery property.

4684 Casualties and Thefts. Use this form to deduct unreimbursed losses arising from fire, storm, shipwreck or other casualty as well as theft, for example, larceny, embezzlement and robbery. Note that

there are special rules for disasters that receive federal disaster assistance.

4835 Farm Rental Income and Expenses. If you own a farm, lease the land and do not operate or manage the farm, use this form to report rental income based on the crops or livestock produced by the tenant.

4797 Supplemental Schedule of Gains and Losses. Use this form to report 1) the sale or exchange of trade or business property; depreciable or amortizable property; oil, gas and geothermal property; and section 126 property; 2) involuntary conversion of trade or business property and capital assets; 3) disposition of other noncapital assets; 4) recapture of 179 deductions.

5329 Return for Individual Retirement Arrangement Taxes. Use this form if you owe tax on 1) any early withdrawal from your IRA, 2) any excess payment made to your IRA or 3) any excess capital generated from your IRA.

5695 Residential Energy Credit. Use this form to claim tax credit for energy conservation expenditures (such as insulation or storm windows) or renewable energy-source expenditures (such as solar energy conductors). This credit is available for your principal residence only and you must meet certain criteria as well.

6251 Alternative Minimum Tax Computation. Use this form if you have one or more tax preference items, if you fit the criteria for an alternative minimum tax or if you include income other than interest and dividends.

6252 Computation of Installment Sale Income. Use this form to report payments received in the tax year after the year of sale for real estate or noninventoried personal property.

Schedule A Itemized Deductions. Attach this form to your 1040. You can choose to itemize your deductions,

or you may be required to do so. Use this schedule to report your itemized deductions such as taxes, contributions, portions of your medical and dental costs, interest, casualty and theft losses as well as other miscellaneous deductions.

Schedule B Interest and Dividend Income. Attach this form to your 1040. You must use this form if you earned more than \$400 in interest or more than \$400 in dividends. Also, use this form if you had a foreign account, chose to exclude reinvested dividends from a public utility or granted a foreign trust.

Schedule C Profit or (Loss) from Business or Profession (Sole Proprietorship). Attach this form to your 1040. You must use this form if you were the sole proprietor of a business or if you practiced a profession. If you had more than one business or if your spouse also had a business, you must complete a separate form for each business.

Schedule D Capital Gains and Losses. Attach this form to your 1040. Use this form to report the sale of a personal residence, and sales of securities, worthless personal loans, stock rights and warrants.

Schedule E Supplemental Income Schedule. Attach this form to your 1040. Report income or loss from rents and royalties, partnerships, estates and trusts, and S corporations using this form.

Schedule F Farm Income and Expenses. Attach this form to Form 1040. Use it to report farm income and expenses except in the following instances: if you received rent based on crop production and did not run the farm yourself; if you obtained income from renting pasture land; if you sold or exchanged business property; or if you sold livestock held for breeding, sport or dairy.

Schedule G Income Averaging. Attach this form to your 1040. If in this tax year your income has increased to greater than the average of your income for the past three years, you may qualify to pay less tax by income averaging. You must have been a U.S. cit-

izen or resident and provided at least 50 percent of your own support during the past three years.

Schedule R Credit for the Elderly and the Permanently and Totally Disabled. Attach this form to the 1040. Use this form to claim tax credit if you are sixty-five or older or if you are under sixty-five and have retired on permanent and total disability and receive taxable disability income.

Schedule SE Computation of Social Security Self-Employment Tax. Attach this form to your 1040. If you are self-employed and operate a business or profession as a sole proprietor, in a partnership or as an independent contractor, and make a profit of more than \$400, you must pay self-employment tax.

Schedule W Deduction for a Married Couple When Both Work. If you are married and both you and your spouse work, you may deduct 10 percent of the net income (up to \$30,000) of the spouse who earns less. In order to do this, you must file a joint return and complete this schedule.

Starting the Program

Copying the Program

Removal and Care of Diskette

After reading the End User License Agreement, remove the diskette from the envelope in the back of this user's guide. When not using the diskette, return it to its envelope for safekeeping.

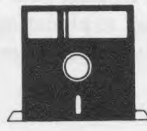
Diskettes are magnetic and should be handled carefully. Placing them on or near anything magnetic could erase information. Objects such as loudspeakers, kitchen appliances and paper-clip holders all apply! Do not commit the most common crime against diskettes—leaving them on a computer or monitor. These may seem like convenient places to put diskettes, but severe damage and loss of information may result. Do not touch the surface of the diskette itself (the platter inside the protective sleeve) and avoid bending it or subjecting it to temperature extremes.



Store Properly



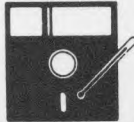
Don't bend



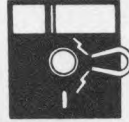
Insert Carefully



Don't touch
exposed surface



Store at
10°C-53°C
50°F-125°F



Keep away from
magnetic fields

Making A Backup Copy

You must make a backup copy of the *Your Income Tax* program diskette. Once you complete the Interview, the computer deletes all of the forms you do not need and installs a new working system on your diskette. Therefore, in order to keep your master diskette intact, always use a working copy. Make a backup copy of the J. K. Lasser's *Your Income Tax* program diskette and store the original(s) in a safe place. You may make as many copies of the program as you need for your own use as you prepare and plan your taxes.

Copying this program to sell or give to anyone else is against the law. This includes distribution within schools and clubs.

Make a working copy of each side of the diskette with any standard Commodore copy program. Affix the enclosed labels to your working diskette(s) and put the master diskette away.

Loading the Program

To load *Your Income Tax* into your computer, insert the working diskette, side one face up, into the disk drive and close the drive door. Type **LOAD "YIT",8,1** and press RETURN. The title screen appears.

Getting Started

First, the program presents you with the main menu. This menu has two choices: the Interactive Interview and Tax Preparation. Before making your choice, read the rest of this user's guide for a detailed explanation of the program and each module. Or go directly to Quickstart to plunge right in.



Operating the Program

Keyboard

This section describes how to enter data into *Your Income Tax* using the Commodore keyboard. Most information is entered into the program through the main keyboard, which functions like a typewriter. Both the alphabetic and numeric keys are used. In addition, special keys perform functions other than entering data onto the forms. You will find a summary of these keys below, followed by a more complete description of each key's function.

Control Key Summary

Forms and Schedules

 CURSOR	Scroll up or down
 CURSOR	Scroll left or right
RETURN	Accept input, calculate total and move to next line
SHIFT RETURN	Move to line above
←	Cancel current operation/Exit
CLR/HOME	Move cursor to top of form
£	Move cursor to bottom of form
INST/DEL	Erase
f1	Help
f2	Calculator
f3	Go to supplemental form or worksheet
f7	Confirm/save

Menus



Move highlight bar up or down
Select

Worksheets



Move cursor up or down
Move cursor left or right
Cut
Paste
Save
Total
Lock cursor to highlight

Control Keys

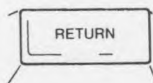
CRSR Keys



The CRSR (cursor) keys function in different ways depending upon where you are in the program.

- The CRSR up key moves the cursor upward on a menu and the CRSR down key moves the cursor downward on a menu. When you use these keys to highlight your choice on a menu, always press RETURN afterward.
- The CRSR keys scroll a large form up, down, right or left so you can see the whole form.
- On a worksheet, the CRSR keys move the cursor up, down, right or left so you can fill in the appropriate lines.

RETURN



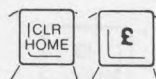
The RETURN key makes the program accept information you have entered in a field and moves the cursor forward to the next field in a form. RETURN also selects your choice from a menu after you highlight the choice with the arrow keys.

The RETURN key has other functions depending upon when it is used.

- RETURN removes the on-screen calculator and copies the amount just calculated. The cursor then appears in the field you were completing before you requested the calculator.
- Pressing SHIFT and RETURN moves the cursor backward on a form.

The CLR/HOME key moves the cursor directly to the first line, and the £ key moves the cursor directly to the last line, of any form, schedule, menu or window. When in a form, use the CLR/HOME and £ keys to move to the first and last lines on the screen, respectively.

CLR/HOME and £



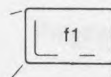
Use the INST/DEL key to back up and erase data one character at a time.

INST/DEL



The f1 key accesses Help screens for each choice on any menu.

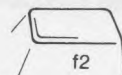
Help



The f2 key accesses the on-screen calculator.

When the calculator appears, use the following keys and symbols to calculate:

On-Screen Calculator



- + to add
- to subtract
- = to total

RETURN to perform the following sequence of events:

1. total an amount;
2. remove the calculator from the screen;
3. place the calculated amount in the appropriate line of a form or schedule; or
4. return the cursor to the next line of the form you are using.

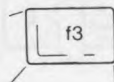
If you press INST/DEL before pressing the equal sign or RETURN, the program cancels your current calculation by removing the calculator, clearing the amount from the program's memory and returning the cursor to the field you were completing when you requested the calculator.

To keep the calculator from obstructing your on-screen work, use the CRSR keys to move it up or down, right or left, one line at a time across the screen.

The RETURN key removes the calculator from the screen and automatically places the calculated amount in the form.

The INST/DEL key removes the calculator from the screen without changing the amount on the form.

Go To



The f3 key is a shortcut that instructs the program to go directly to a supplemental schedule or form. Using f3 saves you from having to store Form 1040, return to the main menu and access a form or schedule via the Forms List. When you see "f3 GOTO" at the bottom of the screen, there is a supplemental form or schedule that applies to the line you are currently filling out.

For example, when you arrive at line 12 on Form 1040, press f3 to go directly to Schedule C. The program saves all your entries on Form 1040 and presents you with the Schedule C form.

When you finish making entries in Schedule C, press f7 (Confirm and Save). The program saves your entries on Schedule C, returns to Form 1040, calculates the Net Profit or Loss on Schedule C and places it on line 12 of the 1040, and moves the cursor to line 13.

When no supplemental form or schedule applies to the line you are currently filling out, pressing f3 accesses a worksheet on which you can do supplemental calculations. For example, if you have multiple sources of income, you can keep track of them by pressing f3 (Worksheet) while on line 7 of Form 1040. The blank worksheet gives you a place to enter any information you wish that applies to that line on that form. In addition, the worksheet contains cut, paste and calculate functions.

Here is how these functions work. After you have entered information onto the worksheet, hold down the Commodore key (⌘) while you simultaneously move the cursor with the CURSR keys until the information you want to cut, move or calculate is highlighted. To cut out the highlighted area, press f5. Now, you can move the highlighted area to a new location. First move the cursor to the upper left-hand corner of the new location. To paste down the information in the new spot, press f6.

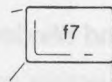
To add numbers inside of the highlighted area, press f8. To subtract numbers inside the highlighted area, enter them as negative numbers and press f8. To do more extensive calculations, press f2 to bring up the calculator. Press f7 to automatically save the worksheet and mark it for printing. Then the program returns you to the form you were filling out. The function key line at the bottom of the screen will remind you of all of these key options when you are in a worksheet.

You can print your worksheet by returning to the main menu and choosing the print option. Printing is necessary if you want to erase all or part of the worksheet but want to keep a record of the

erased information. At the top of the printed worksheet you will see your name and social security number as well as the IRS form number and line number from which you last accessed the worksheet. You can review the worksheet or modify it by pressing f3.

The f7 key (Confirm and Save) is the only key that saves your entries and exits you from tax preparation forms. You may press f7 anytime to save your entries and exit, whether or not the Interview, form or schedule is complete.

Confirm and Save



Program Screens

On-Screen Information

Every screen in the program has two lines of information: a Status Line at the top of the screen and a Function Key Line. Some screens have an Instruction Line just above the Function Key Line.

Status Line

The Status Line, located at the top of each screen, shows three things:

1. The program you are using (*Your Income Tax*, shown on the far left of the Status Line).
2. The name of the form or schedule being displayed.
3. When applicable, the paragraph reference number (JKL 00.000) in the *J. K. Lasser's Your Income Tax* book for further information on tax preparation or planning. The paragraph number is for general reference only. Read adjacent paragraphs for additional information that may be pertinent.

Frame

The frame consists of a horizontal bar and a vertical bar that border the top and right sides of each form and schedule. Each bar contains an arrow that marks your place in the form. These arrows move as you scroll up, down, right or left within the form. The line you are currently working on appears above the frame. Although you can move around in the form, the active line above does not change until you answer it and/or press the RETURN key.

Function Key Line

The bottom-most line on each screen is the Function Key Line. It shows all the function key choices available in the program. When you are in a particular field of an on-screen form and would rather not refer to the manual, choose among the one or more function keys that are displayed.

Menus and Windows

Making Selections from a Menu

Like a restaurant menu, a computer menu contains a list of choices. The flexible design of the *Your Income Tax* program lets you select a choice from a menu in two ways: 1) if a letter precedes the choice, press the letter on the keyboard; or, 2) use an arrow key to highlight that choice, then press RETURN.

Main Menu

The main menu for Tax Preparation contains a list of choices that guides you through the entire program, such as Choose a Tax Form, Print Form(s) and System Utility Functions.

Sometimes more than one menu appears on the screen so that you can quickly and easily backtrack to your original menu.

Each menu choice is accompanied by a detailed explanation, called a Help screen, which you can display by pressing the f1 (Help) key.

Help Screens

Help screens provide additional instructions or explanations for each menu. To request a Help screen, use an arrow key to highlight the choice you want explained in more detail, then press f1. Press any key to remove the Help screen and continue.

Windows

Windows list information stored in the program's database, such as IRS forms and schedules, and the alternative tax plans you create.

Tax Form Window

The Choose a Tax Form window contains the titles of the income tax forms and schedules applicable to your personal income tax needs. They are listed in alphabetical and numerical sequence.

From the main menu of the Tax Preparation feature, type **C**, or use an arrow key to highlight Choose a Tax Form and press RETURN.

Remember to check the information in this window often. Each line shows the name of a tax form or schedule, the date you last updated each one and the letter “C” or “I” to the far right.

You must complete all forms and schedules in your list in order for your tax return to be finished. “C” indicates that the form is complete.

“I” indicates the form is incomplete—because you did not finish it before leaving the form or because you inadvertently missed one or more mandatory fields during the entry process. “I” also means you must return to that form and complete all mandatory fields.

“Empty” indicates that data have never been entered into the form or schedule.

When you print your forms, the letter “P” appears in the Choose a Tax Form window between the form name and the entry date. After the form is printed, the “P” is replaced with either “C” or “I.”

Forms

Your *Income Tax* uses on-screen forms that resemble paper forms. There are two kinds of forms in the Tax Preparation feature: 1) IRS forms and 2) IRS schedules.

Working Reference

Purpose

This chapter provides a detailed explanation of both the use and the content of each of the program modules: the Interview and the Tax Preparation module. This includes instructions for accessing and operating each module and information about the specific purpose of the two parts of the program for preparing your federal income taxes.

The Interview

Begin the program by choosing Interview from the main menu.

The Interview guides you through the process of selecting the correct IRS forms and schedules for your tax situation by asking simple-to-answer yes and no questions. When you finish the Interview, you will have a list of all the forms and schedules that you need to complete your return. The questions are written so that you do not need to know IRS terminology. As you complete each form or schedule, your list is updated to indicate which ones are complete and which remain unfinished. When all forms in your list are done, you have finished your income tax preparation.

If you know exactly which forms and schedules you want to use, you can bypass the questions and compose your list directly. However, you must answer the first few questions on the Interview. These questions establish your name, address, filing status and social security number. This information is entered automatically onto Form 1040 and, where applicable, onto other forms and schedules.

The Interview is self-explanatory and easy to use. When the Interview appears, answer the questions by typing **Y** for yes or **N** for no. If you are uncertain about a question, press **f1** for help. A more detailed explanation of the question will appear along with an explanation of the consequences of answering yes or no, the form associated with that question and the paragraph number (JL¶) in the *J. K. Lasser's Your Income Tax* book, to which you may refer for further details of the relevant tax situation.

When you have finished the Interview, the computer deletes the forms you do not need and installs a new working system on your diskette. Therefore, you should always use a working copy of *Your Income Tax*. Put the master away for safekeeping. You are now ready to go on to the Tax Preparation module. If you wish to change your answers to any questions, you can make a new working copy, and redo the Interview as many times as you wish.

Tax Preparation

Once you have completed the Interview, you can access the forms and schedules in the Tax Preparation module. To do this, type **"YIT",8,1** and then press **RETURN**. The Tax Preparation window will appear. The Tax Preparation menu contains a list of choices. Highlight **Choose a Tax Form** on this menu, then press **RETURN**. The list of the forms and schedules appears in the **Choose a Tax Form** window as a result of your answers to the questions in the Interview. If you composed your list manually, all forms and schedules you selected will be on the list.

You can access any one of these forms and schedules by highlighting it and pressing **RETURN**.

Notice that not all of the forms and schedules you selected may be visible on the menu at one time. Only ten forms and schedules fit into the menu window at once. You can see the rest by moving the highlight cursor down to the bottom of the menu window using the **CRSR down** key. Then press the **CRSR down** key again. Another form will scroll onto the bottom of the menu, and the top form will scroll off. Each time you press the **CRSR down** key with the highlight cursor at the bottom of the menu window, another form or schedule will scroll onto the menu if one exists on your list. Forms are listed first, in numerical order, followed by schedules in alphabetical order.

To return to the top of the menu, press the CLR/HOME key. Pressing £ will take you directly to the last page of the menu.

To choose any form or schedule on your list, highlight it, then press RETURN. That form or schedule will appear on the screen.

Now that you know how to access any form or schedule on your list, you can choose any one you wish to complete. The most logical way to begin is with Form 1040. The next portion of this chapter walks you through filling out Form 1040. The principles used to fill out Form 1040 are the same for every form and schedule in the program, although the specific information you enter onto each one differs. Therefore, follow the instructions for Form 1040 and apply them to each form you fill out.

Form 1040

Here is how you begin Form 1040. Place your working diskette, side one face up, into the drive and close the door. Type **LOAD "YIT",8,1** and then press RETURN.

The Tax Preparation menu will appear. Highlight Choose a Tax Form, then press RETURN.

The Choose a Tax Form window appears. Highlight Form 1040, then press RETURN. Form 1040 will appear. Look at the Status Line at the top of the screen. It shows the module you are using (Preparation), the form being displayed (1040), the reference number of the paragraph from the J. K. Lasser's *Your Income Tax* book for the line on which the blinking cursor rests and the date.

Notice that the first line of Form 1040 displayed on the screen is line number 7. You already entered the necessary information for lines 1 through 6 in the Interview. This information will be automatically inserted onto your completed form when you print it out.

The cursor is blinking in the Input field. Several function keys are available, including f3, the Go To key.

On line 7 enter your wage and salary income. Do not use commas or decimals; the program permits only whole numbers. If you have only one source of wages, enter the amount from your W-2 form. Then press RETURN. If you have more than one source of income, you can press f3 (Go To) and go to an auxiliary worksheet that allows you to enter each wage source individually. The worksheet is a place to list your individual sources of income. You can enter each one along with the amount, then use the on-screen calculator (f2) to total them. Press f7 to save the worksheet, then

enter the total from your worksheet onto line 7. Press RETURN when you are done. Your worksheet is saved on disk. You can see it again by pressing f3 (Go To) with the cursor on line 7.

If you are uncertain about what forms of income constitute wages and salaries, you can consult the *J. K. Lasser's Your Income Tax* book. The proper paragraph number for the major reference for this line of Form 1040 is indicated at the top of the screen as JKL¶ 2.00. If you turn to paragraph 2.00 in the book, you will find an explanation of wages and salaries. Each line of every form and schedule in the program has a JKL paragraph reference number similar to this one. Use these references when you need detailed information.

Please note that there are many possible tax situations involving almost every line on any given form. The JKL paragraph number refers you to the main paragraph reference for each line. However, you should always read adjacent paragraphs to be sure that you have all of the information you need to answer your question. Also, consult the index of the *J. K. Lasser's Your Income Tax* book for other related references if you still need more information.

You are now ready to go on to line 8, interest income. If you received interest or dividend income during the year, you must enter an amount on line 8. If that amount exceeds \$400, you must also fill out Schedule B. If you answered the question in the Interview about interest or dividend income and indicated that one or both of these exceeded \$400, then Schedule B is on your list of forms and schedules, and you must fill it out in order for your return to be complete.

Depending upon your answer to the interest and dividend question, you will do one of two things. If you indicated that your interest and/or dividends were less than \$400, simply enter the amount(s) on line 8, then press RETURN. Remember to use whole numbers only; do not use commas or dollar signs. The cursor moves to line 9, and you are ready to go on.

If your interest and/or dividend income exceeded \$400 for the year, and you answered accordingly in the Interview, go directly to Schedule B from Form 1040, fill it out, and return to 1040 with the proper amount(s) from Schedule B inserted in the proper places on line 8. Here is what you do.

First, notice that f3 (Go To) is available in the list of function keys at the bottom of the screen. The f3 key is called the Go To key because it instructs the program to go directly to the particular schedule referenced on Form 1040. If f3 is on the function key line, then either you have an auxiliary schedule for that line on your

list, or a worksheet exists. If f3 is not on the function key line, then an auxiliary schedule or a worksheet does not exist for that line.

If f3 is active on the question of interest/dividend income, press it, and the program will replace Form 1040 with Schedule B. You enter information onto this schedule in the same way that you enter information onto Form 1040. Notice that there is a JKL paragraph reference number for each line, and that this form requires verbal information as well as numerical input.

When Schedule B is complete, press f7 to save your entries and exit the form. The program replaces Schedule B with Form 1040. The amount on line 8 of Form 1040 is the computed value from Schedule B. The cursor is blinking on line 9, and you are ready to go on.

Note: Any amount entered in a secondary form or schedule (such as Schedule B) automatically overrides the amount you entered directly onto Form 1040. The reason for this is simple. By answering the Interview in a manner that indicates that a particular form or schedule is necessary to complete your tax preparation, the only way that you can complete your taxes accurately is by filling out that form. The program assumes that the information on the form is correct and that it takes precedence over any amounts you enter directly onto Form 1040. If you want to test out a new tax situation, you can either go back to the Interview and answer it differently, or create a new set of forms manually and enter your test information onto them. Remember that you can make as many copies of the disk as you need to prepare and plan for your taxes. Each one can represent a different tax scenario.

The other items on Form 1040 and other supplemental forms, schedules and worksheets can be completed in the same manner. Continue line by line through Form 1040 until each line is complete. If the amount to be entered on any line is zero, or if the line does not apply to you, you can press RETURN to skip it and leave it blank. Refer to the JKL reference numbers as you proceed to help you make decisions about your individual tax situation. Remember to use the f1 (Help) key when you are uncertain about a specific menu choice. Consult the official IRS filing instructions if you need further information about your tax situation.

Use the f3 (Go To) key to access supplemental forms and schedules directly whenever they apply.

When you complete Form 1040 and the other required forms and schedules, you are ready to print your return. Instructions for printing your tax returns are described in the Printing Forms, Schedules and Worksheets section.

Consult the official IRS publications that apply to the forms and schedules you are submitting and the *J. K. Lasser's Your Income Tax* book to be sure that the forms and schedules you submit are in compliance with current tax codes.

Tax Planning

Tax planning includes two vital, ongoing objectives. First, you can evaluate the tax consequences of your financial decisions over a period of time, and second, you can estimate your tax liability alternatives. The primary goal of tax planning is to reduce your total yearly tax bill; however, the course you choose does not always mean you achieve the lowest possible taxation each year. The secondary goal of tax planning is to defer your taxes to the future; convert income into capital gains; avoid double taxation; and/or create, increase or accelerate deductions.

The *Your Income Tax* program diskette is versatile and may be used for tax planning as well as tax preparation. The program is designed so that you can use the Interview and the forms in as many different tax scenarios as you wish. Then you can decide on your optimal strategy for the coming year. Keep in mind that the tax laws change every year. Therefore, your tax planning should be considered an estimate of your actual tax liability.

The best way to see how tax planning affects your financial situation is to input figures directly onto the appropriate forms. If you are not sure which forms to use, go back and use the Interview again. Complete the Interview using "what if" calculations. The correct forms will be chosen for you. Use a new working diskette for each tax scenario you create.

For example, if you invest in stocks and bonds, you might want to analyze the effect of short-term capital gains vs. long-term capital gains on your total tax situation. Indicate either short-term or long-term on the Interview. The program will select Schedule D (Capital Gains and Losses) for you to complete. You can estimate how a short-term or a long-term sale will affect your situation. Or, if you are thinking about selling your home, indicate this on the Interview. The program will choose Form 2119 (Sale or Exchange of Principal Residence). You might analyze the result of selling the property at the end of one tax year as opposed to the beginning of a new one. Finally, if you currently own property which you are

thinking of renting, indicate this in the Interview. The program will choose Schedule E (Supplemental Income) for you to complete. Then you can see how additional rental income might affect your tax situation.

Overall, you want to make sure a tax break in the current year does not create an economic disadvantage in the future. So to be effective, tax planning must be conducted throughout the year. Ongoing planning helps you avoid hasty year-end decisions while providing you with sound alternatives to your tax situation in the current year and in the future.

The next section of the manual contains important points to consider when you are concentrating on tax planning. Information about income and deductions is highlighted. After you read this section of the manual, use the software as suggested above to see how certain calculations affect your total tax situation.

Income

The following list serves as a guide to areas you should consider as you attempt to plan and summarize all of your possible sources of income in the next year or coming years.

Base Period Income

If your income varies widely over a period of time or increases dramatically from year to year, you may be a candidate for income averaging. You may also want to income-average if your spouse has begun to work or if your income has increased steadily. You need to know your income from the three years previous to the current one. Refer to paragraph 23.00 in the *J. K. Lasser's Your Income Tax* book for a further explanation. To determine whether you qualify for income averaging, you must calculate your Base Period Income. Base Period Income is your gross taxable, or potentially taxable, income. To determine your Base Period Income, use your Taxable Income minus any allowable exemptions. Your base year is 1985.

Filing Status

Your filing status is essential in determining any tax liability. Refer to paragraph 1.00 and adjacent paragraphs in the *Your Income Tax* book for further explanation.

Number of Exemptions

You can choose the number of allowable exemptions you have or expect to have. You are always entitled to one exemption, for yourself.

Examples of other exemptions are for a spouse or dependents; \$1,000 is allowed for each exemption. Refer to paragraph 1.50 in the *Your Income Tax* book for further discussion of exemptions.

Personal Service Income

Calculate your wages and other income from your annual W-2 form, your income from self-employment or your projected earnings based on your current salary adjusted for annual increases or bonuses.

If you are married and filing a joint return with your working spouse, calculate your combined income less the deduction for married couples. Refer to paragraph 1.01 in the *Your Income Tax* book for more information on calculating the marriage penalty deduction.

Dividends

Determine your actual or anticipated dividend income on corporate stock. Dividends must be received from domestic corporations and paid from earnings and profits to qualify for this exclusion. Calculate the appropriate dividend exclusion and note the net amount. Refer to paragraph 3.01 in the *Your Income Tax* book for ways to calculate your dividend exclusion.

Interest

Calculate your actual or expected interest income received from checking and savings accounts, notes, corporate bonds, money market funds, certificates of deposit, loans and other sources. Refer to paragraph 4.00 in the *Your Income Tax* book for a discussion of interest income.

State Tax Refund

Note any state or local tax refund you deducted in previous years for which you received payment in the current year. Do not include any refund that did not decrease your tax in the year the tax was deducted. Refer to paragraph 12.20 in the *Your Income Tax* book for a discussion of refund of state income tax as income.

Other Income

Enter any other income that does not fall into the above categories, such as inheritances, gifts, gambling winnings, grants, awards, prizes, life insurance, alimony, etc. Refer to paragraph 12.00 and adjacent paragraphs in the *Your Income Tax* book for additional items.

Adjustments to Income

To determine your adjusted gross income, deduct amounts from income in the following categories. Use positive numbers only. Use zero for negative amounts.

IRA

Individual Retirement Accounts offer both immediate tax savings and deferred tax savings which can produce funds for retirement. Decide upon a contribution, allowed according to the limits discussed in paragraph 7.17 of the *Your Income Tax* book.

Keogh

A Keogh plan is for those individuals who are self-employed and wish to set up a retirement plan. Note the allowable amount based on your actual or expected earned income. Refer to paragraph 7.33 in the *Your Income Tax* book to determine your deduction.

Moving Expenses

Moving expenses are subject to specific time tests and other criteria. Refer to paragraph 2.40 in the *Your Income Tax* book for information on calculating your moving expenses deduction.

Business Expenses

Based on your calculation using the Schedule C format, note the net deduction allowed for business expenses. Refer to paragraph 5.03 in the *Your Income Tax* book for a more complete discussion of Schedule C.

Capital Gains

Capital gains and losses result from the sale of stocks, bonds, real estate and other capital assets held for investment. Refer to paragraph 6.00 in the *Your Income Tax* book for a discussion of the capital gains/losses deductions.

Calculate your net capital gain or loss for short-term and long-

term categories. You can calculate the net amount by adding all short-term gains and subtracting all short-term losses. Enter a net gain as a positive amount and a net loss as a negative amount.

Capital Gain—Short Term

Note the gross amount of the net gain or loss for short-term assets. Do not limit capital losses to a maximum allowable amount. If you project your tax liability over a period of years, you can carry forward any unused loss, thereby eliminating your need to calculate the amount from year to year.

Capital Gain—Long Term

Note the gross amount of the net gain or loss for assets held one year or more. Do not limit capital losses to a maximum allowable amount; otherwise, subtract the 60 percent capital gain exclusion.

Calculate the total amount of all tax credits. Then subtract the total amount of credit from your tax liability. Refer to paragraph 24.00 in the *Your Income Tax* book for a discussion of tax credit items.

Federal Tax Credits

Deductions

Use the following list as an outline of possible deductions as you plan for the next year. Keep track of any deductions you might have in these areas for next year's tax return.

Medical Expense

Record the amount that represents the total of your drugs and medicines and your medical care expenses. See paragraph 17.03 in the *Your Income Tax* book for a calculation of the income limit applied to medical expense deduction. See paragraph 17.01 for allowable medical care costs.

State/Local Taxes

Note the amount of income tax, if any, that you are remitting with your current year's tax return for taxes outstanding from prior years' returns. Do not include taxes paid in the current year. These are entered as "withheld" or "estimated" taxes. See paragraph 16.00 in the *Your Income Tax* book to find information on deductions for taxes.

Real Estate Taxes

Enter the amount of real property taxes paid during the year for real estate property you own. Generally not included here are local benefit taxes, garbage fees, homeowner association fees and so on. Taxes on rental property should be included in the calculation of gain/loss and entered in Other Income as either a gain (positive number) or loss (negative number). See paragraph 16.05 in the *Your Income Tax* book for a discussion of real estate taxes.

Personal Property Taxes

Record the amount of tax actually paid that is charged on a yearly basis for personal property based only on the value of the property. See paragraph 16.001 in the *Your Income Tax* book for a discussion of personal property taxes.

Other Taxes

Note any other taxes, including general sales tax, that are deductible. See paragraph 16.03 in the *Your Income Tax* book for rules governing the sales tax deduction.

Casualty/Theft Losses

Note the amount of net casualty losses subject to the limits based on adjusted gross income and number of occurrences. See paragraph 18.00 in the *Your Income Tax* book to find information on casualty/theft losses.

Miscellaneous Expenses

Note the total amount of expenses that do not fall into any other category, such as unreimbursed employee-related expenses like work clothes, union dues and professional fees. See paragraph 19.00 in the *Your Income Tax* book for more ideas.

Qualified Housing Interest

Record the amount of interest paid on loans during the year for the purpose of purchasing, constructing or repairing a personal residence. See paragraph 15.011 for more information on mortgage interest.

Other Interest

Note any interest of a personal nature, including interest on personal loans, credit cards and charge accounts. See paragraph 15.00 and adjacent paragraphs in the *Your Income Tax* book for a discussion of other interest deductions.

Contributions

Record the net amount subject to limitations on adjusted gross income for payments to qualified organizations. See paragraph 14.00 and adjacent paragraphs in the *Your Income Tax* book for a discussion of contributions.

Estimated Payments—Federal

Record the amount deposited as estimated federal income tax. See paragraph 26.00 in the *Your Income Tax* book for a discussion of how to make payments on estimated federal income tax.

Federal Tax Withheld

Record the total amount withheld. See paragraph 25.00 and adjacent paragraphs for a discussion of federal withholding tax.

Printing Forms, Schedules and Worksheets

From the main menu of the Tax Preparation module, type P, or use the `CRSR` keys to highlight Print Form(s) and press `RETURN`. Print Forms includes forms, schedules and worksheets.

There are four options on the print menu: Select Forms, Computer Forms, Preprinted Forms and Worksheets.

Choose Select Forms from Directory to make your print choices. Use the `CRSR` keys to highlight each choice, then press `RETURN`. The program inserts a P to the left of the date in the directory window to verify your print request. You can select only one form at a time for printing.

When you have made your selection, press the backspace (`←`) key to return to the Print menu. Then, choose either Computer Forms or Preprinted Forms and press `RETURN`. Make sure your printer is properly connected and turned on.

Printing Preprinted Forms

Your forms, including Forms 1040, 1040A, and 1040EZ, can be printed directly onto any computer-feed official IRS form. The IRS requires that you submit preprinted forms but allows computer-generated input for the blank fields. Computer-generated forms are not allowed in many cases. Select Preprinted Forms from the print menu and press `RETURN`. Before beginning, align the form by placing the print head directly over the top of the form. When you

press RETURN again, printing begins immediately. When the form is complete, you can choose another form or schedule from the menu for printing.

Printing Computer Forms

You can print a computer-generated record of any form or schedule. Proceed exactly as you did in selecting Preprinted Forms. When the form or schedule is printed, it will contain the title of the form, each line number and the amount that goes on each line. Note that the IRS does not allow you to submit computer-generated forms and schedules—you must use preprinted official IRS forms. However, you may want to use the computer-generated list as part of your records or as working copies.

Printing Worksheets

You can print your worksheet by highlighting Worksheet on the main print menu and pressing RETURN. Remember, the program saves only your last page of notes and/or computations. If you know you want more than one worksheet, print the current worksheet as you complete it. Then you can erase a full worksheet and start a new one to correspond to a new schedule or form.

Technical Assistance and Troubleshooting

Potential problems with the software program fall into two categories. First, you may encounter technical difficulties with the program. These include

1. difficulty starting the program on your computer;
2. trouble in making a backup copy;
3. confusion about the use of control keys.

Second, you may have difficulty with the tax forms and schedules. This type of problem may take several forms:

1. problems understanding which forms apply to your tax situation;
2. difficulty using the tax forms;
3. misunderstandings about the IRS tax code.

For problems that fall into the first category, we have provided a technical-assistance phone number that you may call. This service will provide answers to your questions about technical issues concerning *J. K. Lasser's Your Income Tax* software. Before you call the technical assistance number, however, there are some things you can do to ensure that you will get the best service. And prior to that, in many cases the answer to your question will be found in this user's guide. Be sure to read the appropriate section of this guide and then take the following steps before you call for technical assistance.

1. Check to be sure that the software is compatible with your computer. Check the minimum system requirements on the

back cover and in the Hardware Requirements section. There are many so-called compatibles on the market that may not be 100 percent compatible with the computer for which the software was designed. We cannot guarantee that the software will run on your computer if it is other than a computer specified on the package or if it does not meet the minimum system requirements.

2. Check to see that you have made your working copy of the program according to the instructions in this user's guide. Errors in the copying process are often the culprit behind disk failures. Make a second copy and try running it before you call.
3. Make sure that your computer is set up correctly. This is especially important when you are printing forms. Failure to print is often attributable to faulty connections or failure to turn the printer on.
4. Check to be sure that you are using the proper DOS. Where applicable, this is listed on the package. If you are not, you must restart your computer with the DOS specified on the package. For computers that self-boot, or for those with the DOS installed on the disk, shut off your computer, wait a few seconds, then turn it on again. Now, try starting the program according to the instructions in this user's guide.
5. Be sure that you have read the sections in this guide that describe the use of control keys. Difficulty moving from one portion of the program to another is often the result of not using the proper keystroke.

If you have checked all of these areas and you still need technical assistance, you may call (202) 592-2900.

Problems that fall into the second category are more complex and often require careful study in order to respond to them. Typically, they involve interactions between your particular tax situation and the software. One common source of problems is a misunderstanding of the IRS tax code as it applies to your tax situation. Another is simply inaccurate information entered into a tax form or schedule. We suggest that you do several things before seeking help with these types of problems.

1. Check to be sure that you have answered the questions in the Interview portion of the program correctly. The forms that are available to you as you complete the program are determined by your answers. Remember, you cannot complete your return without filling out each form you selected with the Interview. If

forms are missing, make another copy of the program from your master disk and go through the Interview again.

2. If you purchased the *J. K. Lasser's Your Income Tax* book, make sure that you have read the appropriate JKL paragraph listed at the top of the program screen. It will give you information that will help you decide if a particular tax situation applies to you. Remember, you must interpret this information according to your individual tax situation. Neither the book nor the program can decide whether any tax situation applies to you.
3. The program can only work with the information you enter. Check to be sure that you have typed in the proper numbers and other information. Errors in calculations are often the consequence of data entry errors.
4. Misunderstandings of the IRS tax code often lead to misinterpretations of the program functions. *Your Income Tax* has been designed to make filling out your tax returns as easy as possible. Consequently, the program carries on calculations behind the scenes that take into account aspects of the tax code with which you may not be familiar. This may lead you to believe that an error has occurred in a calculation when in actuality the program has used some aspect of the tax code that you are unfamiliar with but that applies to the information you have entered. For example, you may not understand how the Zero Bracket Amount affects your ability to itemize deductions. You could fill out Schedule A (Itemized Deductions) with the result that you have \$3,400 in deductible items. But if your taxable income as entered on Form 1040 has calculated the Zero Bracket Amount to be \$3,500, the program will not allow any itemized deductions unless they exceeded \$3,500. Therefore, after you have entered your deductions on Schedule A and saved them, the program will return you to Form 1040 and enter a zero on line 31. Unless you understand the relationship of the Zero Bracket Amount to itemized deductions, this might seem like an error in the program. To avoid this type of misunderstanding, read the JKL paragraphs listed at the top of the program screen. Also, read the forms and schedules carefully as you enter information into the program. Many misunderstandings of this type can be avoided by careful attention to these details.

If you have reviewed these points and still have a question regarding the program as it applies to your tax return, you may receive assistance by mailing a copy of your disk with the appro-

prate data and a written description of your problem to Technical Support Center, Simon & Schuster, Inc., Route 9W, Englewood Cliffs, NJ 07632; ATTN: YIT Questions.

It is impossible to respond over the telephone to problems that involve complex tax calculations. It is necessary to review the information on the disk in order to respond to this type of problem. Please include your telephone number so that you may be contacted by telephone if necessary. Otherwise, your disk will be returned to you with a written response. *Questions that involve tax computations cannot be answered over the telephone by the technical assistance staff.*

In any case, neither the J. K. Lasser Tax Institute nor Simon & Schuster can give you tax advice. If your question is related to your particular tax situation and you are unable to obtain an answer from the J. K. Lasser's *Your Income Tax* book, we suggest that you contact a qualified tax professional. Often, questions about the software boil down to questions about the tax code and how it applies to individual tax returns.

Important! Read Before Opening Sealed Diskette
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J. K. Lasser's Your Income Tax (COMMODORE)

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PURCHASE DATE _____

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COMPUTER BRAND & MODEL _____

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COMPUTER BRAND & MODEL _____ DOS VERSION _____ MEMORY _____ K

Where did you purchase this product?

DEALER NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PURCHASE DATE _____ PURCHASE PRICE _____

How did you learn about this product? (Check as many as applicable.)

STORE DISPLAY _____ SALESPERSON _____ MAGAZINE ARTICLE _____ ADVERTISEMENT _____

OTHER (Please explain) _____

How long have you owned or used this computer?

LESS THAN 30 DAYS _____ LESS THAN 6 MONTHS _____ 6 MONTHS TO A YEAR _____ OVER 1 YEAR _____

What is your primary use for the computer?

BUSINESS _____ PERSONAL _____ EDUCATION _____ OTHER (Please explain) _____

Where is your computer located?

HOME _____ OFFICE _____ SCHOOL _____ OTHER (Please explain) _____

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PAINLESS PREPARATION FOR APRIL 15

Every year it's the same—sifting through piles of tax-related information and data. Figuring how to organize it. Then performing confusing calculations. This April 15, sidestep those last-minute anxieties. With J. K. Lasser as your electronic tax accountant, you can be thoroughly and confidently prepared.

PUT J. K. LASSER INTO YOUR COMPUTER

This package contains everything you need to prepare your taxes. The expertise of widely recognized authorities at the J. K. Lasser Tax Institute is available to you on this disk. In addition, the software works with the *Your Income Tax* book for in-depth answers to virtually every tax question.

SOFTWARE TAILORED TO YOUR TAX NEEDS

J. K. Lasser software personalizes your tax returns with a unique, easy-to-use interview questionnaire. The program asks you simple "yes or no" questions and creates a set of IRS forms and schedules tailored to your needs. Then it takes you through these forms, step by step. Extra on-screen help for every menu and question is available right at your fingertips. And every line of every form is keyed to the *Your Income Tax* book, where you will find detailed answers to your tax questions.

CALCULATES AND PRINTS WITH THE TOUCH OF A KEY

Once you enter your data onto the simple-to-use on-screen forms, all of the calculations are done for you with the touch of a single key-stroke. You can be certain that your return is accurate and complete. From there, you can print the results directly onto official IRS forms and schedules. Your tax returns are ready to sign and submit.

GET A HEAD START FOR THE FUTURE

Your *Income Tax* software not only helps you calculate for this tax year, it helps you plan for the future. The same software you use for tax preparation doubles as a tax planning package. It contains all of the information and computing power you need to make intelligent tax decisions throughout the year. And you see the actual consequences of your decisions on your tax return, where they count.

A COMPLETE FINANCIAL PACKAGE

When you combine *Your Income Tax* software with the J. K. Lasser's *Your Money Manager* software package, you have a complete system for managing and planning your financial future. *Your Money Manager* works with *Your Income Tax* to organize your financial information throughout the year and to make completing your tax returns even easier.

CALCULATES THESE 28 IRS FORMS AND SCHEDULES

1040 - U.S. Individual Income Tax Return	4137 - Computation of Social Security Tax on Unreported Tip Income	Schedule A - Itemized Deductions
1040A - U.S. Individual Income Tax Return	4562 - Depreciation and Amortization	Schedule B - Interest and Dividend Income
1040EZ - Income Tax Return for Single Filers with No Dependents	4684 - Casualties and Thefts	Schedule C - Profit or (Loss) from Business or Profession (Sole Proprietorship)
2106 - Employee Business Expenses	4797 - Supplemental Schedule of Gains and Losses	Schedule D - Capital Gains and Losses
2119 - Sale or Exchange of Principal Residence	4835 - Farm Rental Income and Expenses	Schedule E - Supplemental Income Schedule
2210 - Underpayment of Estimated Tax by Individuals	5329 - Return for Individual Retirement Arrangement Taxes	Schedule F - Farm Income and Expenses
2441 - Credit for Child and Dependent Care Expenses	5695 - Residential Energy Credit	Schedule G - Income Averaging
3468 - Computation of Investment Credit	6251 - Alternative Minimum Tax Computation	Schedule H - Credit for the Elderly and the Permanently and Totally Disabled
3903 - Moving Expense Adjustment	6252 - Computation of Installment Sale Income	Schedule SE - Computation of Social Security Self-Employment Tax
		Schedule W - Deduction for a Married Couple When Both Work

SYSTEM REQUIREMENTS

Commodore 64 and 128 require one disk drive. Printer recommended. Commodore 128 runs in C-64 mode.



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0-671-62482-2

J. K. Lasser's Your Income Tax
for the Commodore 64 and 128 (in C-64 Mode)

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Master Diskette

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